



Enhanced 911 Communications Wireline and Wireless Funding

Enhanced 911 or E911 provides phone users with the ability to reach a public safety answering point (PSAP) by dialing the digits 911. The 911 call is routed to the appropriate PSAP and automatically provides voice, displays the name, address or location of the call, and the telephone number of the incoming 911 call and public safety agency servicing the location. The E911 emergency telephone communication system is intended to protect the health, safety, and welfare of Iowans by providing orderly development, installation, and operation of E911 emergency telephone communication systems statewide. The PSAP is a 24-hour public safety communications facility that receives 911 calls and directly dispatches emergency response services or relays calls to the appropriate public or private safety agency. There are currently 115 PSAPs in Iowa. The director of the Homeland Security and Emergency Management Department appoints the E911 Program Manager who, in consultation with the E911 Communications Council, performs the duties set forth in [Iowa Code chapter 34A](#).

[House File 644](#) (E911 Surcharge Equalization Act) imposed \$1.00 surcharge on both wireless and wireline E911 programs. The Act also did the following:

- Eliminated the existing voter referendum requirement regarding the imposition of the local wireline E911 service surcharge and the alternative surcharge applicable to wireline communications.
- Reinstated the wireless carrier cost recovery for Phase 1 services.
- Required the E911 Program Manager, in consultation with the E911 Communications Council, to establish methodology for the collection of data on all costs and expenses related to the operation of a PSAP (public safety answering point). Data collection will begin no later than January 1, 2014, with a report submitted to the General Assembly by March 1, 2016, and every two years thereafter. The Auditor of the State will perform an initial audit of the data collection beginning July 1, 2014, with the audit results submitted at the same time as the report. Expenses for the audit will be paid from the E911 Emergency Communications Service Surcharge Fund. Failure to submit expenses and costs by the county joint E911 service board will result in a \$0.35 penalty per quarter out of the \$1.00 surcharge.
- Requires the Homeland Security and Emergency Management Division to conduct a study to identify E911 operations and expense efficiencies, to be submitted in a report to the General Assembly by July 1, 2014.

Wireline E911

The E911 Program was created under the Homeland Security and Emergency Management Division during the 1988 Legislative Session. The law required each county to establish a joint E911 service board maintained by the county board of supervisors. Each board was responsible for developing a countywide E911 plan detailing the manner and cost for the implementation of an E911 system. The Homeland Security and Emergency Management Division reviewed and approved the E911 service plans for all 99 counties. Service plans include a description of the service area, a list of all public and private safety agencies (such as a private ambulance service) within the E911 service area, the number of PSAPs within the service area, and the agency responsible for management and supervision of the E911 communication system.

To implement and pay for the service, each joint E911 service board applies an E911 surcharge on each telephone access line within the E911 service area. Each telephone service provider remits collected surcharge funds directly to the respective joint E911 service board on a calendar quarterly basis at a rate of \$1.00 per month, per telephone access line.

Money from the wireline surcharge is used for recurring and nonrecurring costs of the system. Nonrecurring costs include but are not limited to network equipment for the public safety answering points, software, database, addressing, training, and other capital expenditures, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider. Recurring costs include but are not limited to network access fees and other telephone charges, software, equipment, and database management, and maintenance, including the purchase or lease of subscriber names, addresses, and telephone information from the local exchange service provider. Recurring costs cannot be used for personnel. Personnel costs are paid from county or city funds, depending on the PSAP.

More Information

Homeland Security and Emergency Management Department: <http://www.iowahomelandsecurity.iowa.gov/>

Iowa General Assembly: <http://www.legis.iowa.gov/index.aspx>

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The funds are deposited in an E911 Service Fund within each county. Payment is limited to those costs directly attributable to the receipt and disposition of the 911 call. Costs do not include expenditures for any other purpose, and specifically exclude costs attributable to other emergency services expenditures for buildings or personnel, except for the costs of personnel for database management and personnel directly associated with addressing.

Wireless E911

The \$0.50 per phone, per month, E911 wireless surcharge began on January 1, 1999. The surcharge was amended to \$0.65 per phone, per month on July 1, 2004 and then increased to \$1.00 effective July 1, 2013. There are approximately 2.2 million cell phone subscribers in Iowa. The average quarterly amount generated is \$4.2 million. This surcharge is collected by the wireless service providers and remitted to the state E911 program on a quarterly basis. The funds are used for the development and on-going operation of the wireless E911 phone network. By law, the surcharge is expended quarterly in the following order:

- \$62,500 per calendar quarter to fund salaries for 2.0 FTE positions. These funds are also used to reimburse the State Auditor to perform an annual audit of the Program.
- Reimbursement to wireless carriers for Phase 1 cost recovery up to 13.0% of the collected funds (call-back number and tower location of call).
- Reimbursement for actual wireline transport costs for local carriers.
- Reimbursement for actual automated location information for the 911 database and routing charges for local carriers.
- Allocates 46.0% of the collected funds to the PSAPs. The distribution of funds is based on a formula: 65.0% of the total is based on the square mileage of the local 911 service area and 35.0% of the total is based on the volume of the wireless E911 calls that the PSAPs receive, with a minimum of \$1,000 per PSAP, per calendar quarter.
- The remainder is deposited in a nonreversionary fund to be used for future work on the Phase 2 network, as well as PSAP upgrades and improvements. The current wireless E911 System cannot deliver text messages, video, or photographs to the PSAPs; however, Next Generation 911 (NG911) will allow these capabilities. Approximately \$9.5 million is in the Carryover Fund to be used for PSAP costs associated with hardware and software for the Program. The Carryover Fund will allow the implementation of NG911 under the current \$1.00 per phone, per month fee structure.

The funds allocated to the PSAPs under the formula are to be used for communication equipment located inside the PSAP for implementation and maintenance of wireless E911 Phase 2. If money remains in the Fund after fully paying all obligations, the remainder may be accumulated in the Fund as a carryover operating surplus. The surplus will be used to fund future Phase 2 network and public safety answering point improvements and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager. (Iowa Code section [34A.7A\(2\)\(f\)\(3\)](#) and [34A.7A\(2\)\(f\)\(3\)\(g\)](#))

Wireless E911 Next Generation and Texting

The Iowa Homeland Security and Emergency Management Department has upgraded the wireless E911 system to support the use of the NG911 emergency services Internet Protocol (IP)-based system (ESInet). The NG 911 ESInet is provided by the Iowa Communications Network (ICN). The upgrade will put Iowa in the position to accept text, video, and picture messaging as it is made available from the wireless carriers to access emergency care via 911. The Carryover Fund will also be used for the NG911 network for costs associated with the hardware and software for the ongoing maintenance and enhancements to the network.

Telecommunications Systems Inc. (TCS) has a five-year contract with the Department of Homeland Security and Emergency Management and provides the NG911 solution in the processing of the calls, and provides 24-hour tech support for the network and state-owned equipment at the PSAP and data centers, along with 24-hour services to the 115 PSAPS.

Prepaid Wireless Cards

[Senate File 2332](#) (Enhanced 911 Emergency Communications Act) changed the collection of the surcharge for wireless prepaid phones from the wireless service providers collecting a \$0.65 surcharge monthly to the retailers collecting a \$0.33 surcharge at the time of sale. Retailers are permitted to deduct and retain 3.0% of prepaid wireless E911 surcharges and to remit the remainder to the Department of Revenue in the same manner as sales and use tax under Iowa Code chapter [423](#). The Department of Revenue is permitted to retain 2.0% of the surcharge. Within 30 days of receipt, the Department is required to remit the remaining prepaid wireless 911 surcharges to the Treasurer of State for deposit in the E911 Emergency Communications Surcharge Fund.

With the enactment of HF 644, the prepaid surcharge amount was increased from \$0.33 to \$0.51 per purchase. The increased amount took effect November 1, 2013.

Related Statutes and Administrative Rules

Iowa Code chapter [34A](#)

Iowa Administrative Rules Code [605 – Chapter 10](#)